

# Unemployment Insurance **TAX INFORMATION**

**A handbook for  
Washington state employers**

Revised October 2014



**Employment  
Security  
Department**  
WASHINGTON STATE

This book provides an overview and general guidance about unemployment taxes. It does not serve as law.

Specific laws can be viewed at [esd.wa.gov](http://esd.wa.gov); select “Laws & regulations” at the bottom of the page. For more information about unemployment taxes, click on “For businesses” at the top of the Web page. You can search for key words such as legislation or unemployment taxes.

To reach an Employment Security tax-account specialist, see page 24.

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# Who must pay unemployment taxes

**Glossary term** - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

If your business has employees, you must register, report wages and pay unemployment taxes. There are a few exceptions, which are discussed further in the handbook. Your tax obligation begins with your first employee or the first payroll. This includes part-time and temporary employees.

You are considered a covered employer if your business is required to file and pay unemployment-insurance taxes because your employees are covered by unemployment benefits if they lose their jobs. Government agencies, private non-profit organizations (501(c)(3)) and federally recognized Indian tribes may reimburse the department for benefits paid (see page 10).

You may not report employees for more than one employer under a joint account unless you are pre-approved. To request joint account reporting, call the Registration, Inquiry, Standards & Coordination Unit at 360-902-9360. To learn more, read the regulation WAC 192-300-180.

Beginning December 29, 2013, corporate officers are automatically exempt from unemployment insurance unless the corporation requests coverage and Employment Security approves it. By law, corporations must either cover all corporate officers or none of them. If you have not submitted a Voluntary Election Form and have not received approval from Employment Security, your corporate officers are not covered for unemployment insurance.

Employers now must include the date of hire in all new-hire reports to the Department of Social & Health Services (DSHS). This anti-fraud measure helps identify anyone who is receiving unemployment benefits after returning to work. Get more information at <https://secure.dshs.wa.gov/dcsonline>.

## Exceptions to the rule

Some types of businesses may not have to report all employees. Non-covered employees are not eligible for unemployment benefits.

- **Small-farm operator**

If you operate a small farm with a quarterly payroll of less than \$20,000 and fewer than 10 employees, you do not report your spouse, children under 18 or student workers. You must report and pay taxes on all other employees.

- **Domestic services**

If you hire someone to perform domestic services in a private home, college club, fraternity or sorority, you do not report until you pay wages of \$1,000 or more per quarter. If your payroll reaches \$1,000 in any quarter, you must report wages for the entire year.

- **Non-profit preschool**

If you operate a private, non-profit preschool, you do not report if you employ fewer than four employees.

- **Business owner**

If you own a business or are a member of a limited liability company or limited liability partnership, you do not report owners, but you must report all employees.

Sole proprietors should not report their spouses or unmarried children under age 18.

- **Small fishing boat operator**

If you operate a boat with fewer than 10 workers, and are a Small fishing boat operator engaged in catching fish or other aquatic animals, and your workers are paid by receiving a share of the boat's catch, you do not have to report these employees. You may choose to cover a boat's crew by submitting a Voluntary Election Form, which must be approved by the Employment Security Department.

Other types of employees you **may not** have to report and who **may not** be eligible to receive unemployment benefits include:

- Independent contractors (self-employed), as defined under RCW 50.04.140 or RCW 50.04.145.
- Non-resident aliens who are temporarily in the United States as a non-immigrant (visa classification F, H-2A, H-2B, H-3 or J).
- Outside commissioned salespeople of tangible merchandise.
- Elected government officials.
- Church employees.
- Licensed insurance agents paid by commission.
- Licensed real estate agents or brokers.

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- Licensed appraisers who pay their own costs of using the employer's facility and receive no compensation from the owner.
- Outside travel agents paid by commission
- Work-study students, as long as the employer is a non-profit 501(c)(3), state government or local government

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If you are unsure whether you have to report and pay unemployment taxes, contact the Tax Account Management Center at [AMC1@esd.wa.gov](mailto:AMC1@esd.wa.gov) or call 855-829-9243. (See contact numbers, page 24). Employers with exempt employees may elect to pay unemployment taxes for your employees. This includes corporations with zero employees and only corporate officers. To apply to be a covered employer, submit the [Voluntary Election Form](#) (EMS 5203). We will decide if you are eligible for voluntary coverage

# What is taxed

**Glossary term** - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

You pay unemployment taxes on gross wages up to 80 percent of the average wage for the state (the taxable wage base). Wages are taxable, whether paid as a fixed salary, on an hourly rate or on a piece-rate basis.

You must report all wages you pay an employee each quarter, even those that exceed the taxable wage base (excess wages). All wages must be reported for the quarter you paid them along with hours worked.

## Unregistered employers

Failing to register a business with the department could result in a penalty. See page 8.

## What are considered wages?

Wages are defined as all compensation (remuneration) paid to an employee, including:

- Salary, commissions, bonuses and value of gifts before deductions.
- Compensation paid in lieu of cash.
- Tips that are reported for federal income-tax purposes.
- Vacation and holiday pay.
- Unsegregated expense allowances.
- Severance pay or pay in lieu of notice.
- An employee's entire gross pay if he or she shares the cost of a 401(K) or cafeteria plan through salary reduction.
- Meals and lodging – if you require an employee to eat and live on site and the total value of meals and lodging is 25 percent or more of total compensation (value plus salary).

## What are not considered wages?

For the purpose of unemployment taxes, wages do not include:

- Sick leave (if you have a qualified plan).
- Allocated tips.
- Jury-duty pay not reported for federal income-tax purposes.

- Death benefits.

Employee-exercised stock options are not reported as wages and you do not pay taxes on them. You should report stock options in box 11 on the Quarterly Tax Report (EMS 5208A).

## Hours you must report

When completing your tax and wage reports, you must report hours for:

- All hours worked during the quarter.
- Vacation pay – Report the hours for leave with pay. If you make a cash payment in place of vacation time, do not report those hours.
- Overtime – Report actual hours worked.
- Commissioned and piecework employees – Report actual hours worked. If hours are not tracked, report 40 hours per week for full-time employees.
- Pay in lieu of notice – Report the hours that would have been worked.
- Salaried employees – Report actual hours. If hours are not tracked, report 40 hours per week.
- Payment other than cash – Report actual hours worked.

Failing to report hours may result in a penalty (see page 9).

For severance pay, bonuses tips and faculty employee please see, WAC 192-310-040 or contact us (see contacts on page 24).

Here is a handy place to view information concerning reporting of zero (0) hours.

<http://www.esd.wa.gov/uitax/taxreportsandrates/fileandpaytaxes/reporting-zero-hours.php>

**Note: Do not report fractions of hours – round up to the next whole number.**

# When taxes are due

**Glossary term** - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

You must file all of your tax and wage reports and pay your taxes by the last day of the month following the last day of each quarter. If you file a late report, we will charge you a penalty (see page 8).

<b>Tax calendar</b>			
Quarter One (Q1)	<b>January</b> Q4 taxes due 1/31	<b>February</b>	<b>March</b> Q1 ends 3/31
Quarter Two (Q2)	<b>April</b> Q1 taxes due 4/30	<b>May</b>	<b>June</b> Q2 ends 6/30
Quarter Three (Q3)	<b>July</b> Q2 taxes due 7/31	<b>August</b>	<b>September</b> Q3 ends 9/30
Quarter Four (Q4)	<b>October</b> Q3 taxes due 10/31	<b>November</b>	<b>December</b> Q4 ends 12/31

When a due date falls on a weekend or state holiday, your report may be postmarked the following business day. For more specific information about tax due dates, see [WAC 192-310-020](#). Reimbursable-account payments are due one month after the taxable-account schedule.

# Filing and paying taxes

**Glossary term** - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

Choose a filing tool that best fits your needs at [esd.wa.gov/file-taxes](http://esd.wa.gov/file-taxes).

<b>Services available</b>	<b>Employer Account Management Services (EAMS)</b> File, pay and manage your account online	<b>UIWebTax</b> Quick-file your current quarter or late filing
Filing quarterly taxes	X	X
Make online payments	X	X
File online - pay by check	X	X
Manage or update your account	X*	
Get account balance	X*	
Auto-calculate excess wages	X*	
View your tax rate	X	X
Get online help	X	
View and print prior quarterly tax report	X*	
Submit amended reports electronically	X*	
File multiple accounts in one file (bulk filing)	X	

\* Access to secure services requires a one-time authorization from owners or officers.

**Payment option:** *ePay* is an electronic payment method that allows you to submit a payment online from your checking account. When you use *ePay*, you can schedule payment for the actual due date, even if you file your reports at an earlier time.

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### **You can file online**

If you do not have any employees on payroll for a given quarter, you still need to file a tax report. Failing to do so will result in a penalty (see page 8). You can file online, or call the Washington Employer Help Line toll free at 888-836-1900 (see page 25).

You will need your personal identification number (PIN) to file on the Help Line. If you do not know your PIN, check your New-Employer Packet or call the Registration, Inquiry, Standards & Coordination Unit at 360-902-9360.

### **Data-sharing notice**

Under state and federal law, governmental agencies may access private and confidential employment information if necessary for specific official purposes including, but not limited to: verification of an individual's eligibility for other government programs; compliance activities; fraud detection and criminal investigations; research and evaluation of publicly funded employment and training programs; and studies concerning growth management. Any information shared with other agencies must be held as private and confidential, subject to penalties.

Information that identifies a person or an employer is protected by Employment Security in accordance with stringent state and federal laws. Those laws allow us to release some confidential information if the request or requestor meets specific requirements.

If you are interested in reviewing the requirements for Data-sharing requests, please visit our Data-Sharing website.

For additional information regarding confidentiality and public-record disclosure, refer to state law [RCW Chapter 50.13](#) and [RCW42.17.310](#).

# Understanding penalties and interest

**Glossary term** - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

You must file complete and accurate tax and wage reports every quarter.

**Note: You may be charged a penalty if you file a late or incomplete report, file in an incorrect format, or misrepresent your payroll.**

## Unregistered employers

Since January 2011, a quarterly penalty can be imposed on employers who knowingly fail to register and obtain an Employment Security account number for unemployment-insurance tax purposes. The penalty is \$1,000 or two times the taxes due for each quarter, whichever is greater.

## Late filing

You must file a tax report every quarter, even if you have no payroll for a quarter. We will charge a \$25 penalty per report if you fail to submit a report on time.

We will charge 1 percent of your total taxes due per month if your payment is late. We also will charge a late fee on top of the interest, as follows:

- First month - 5 percent of the total tax due or \$10, whichever is greater.
- Second month - an additional 5 percent of total tax due or \$10, whichever is greater.
- Third month - an additional 10 percent of total tax due or \$10, whichever is greater.

If your account is overdue and you owe \$5 or more, you will get a monthly statement indicating all interest and penalty charges that you owe. You also will receive a statement if you have not filed your quarterly report.

If you owe more than \$10 interest accrues.

**Example:** ABC Corporation files its second-quarter tax report on October 29 - nearly three months late - and owes \$5,400 in overdue taxes. ABC must pay \$1,267 for penalties and interest, in addition to the total taxes owed:

- \$25 for the late reports (EMS 5208A and EMS 5208B);
- \$162 in interest (1% x \$5,400 x 3 months = \$162); and
- \$1,080 in penalties (5%, 5% and 10% x \$5,400).

Since ABC's account was not current (paid in full) as of September 30, we will assess the delinquent tax rate.

The experience part of the delinquent rate will be 1 percentage point higher than what the non-delinquent rate would have been (2 percentage points higher in the second year). After September 30, ABC could reduce the experience part of its delinquent rate by 0.5 percentage points by paying off the entire debt or by entering into a deferred-payment contract within 30 days after the employer's first tax-rate notice is mailed.

## Misrepresenting payroll

If you knowingly misrepresent the amount of your payroll on your quarterly tax and wage reports, we may charge you up to 10 times the difference between the amount of taxes you owe and the amount that you paid. This means you will pay the taxes you owe plus up to 10 times the difference. You also may have to pay for our costs of auditing your books and any related collection fees.

## Failing to keep records

The state legislature changed the record-keeping requirements in [RCW 50.12.070](#). If you fail to keep employment records, as required by law (see page 15), we may assess you a penalty of up to \$250 or 200 percent of the quarterly tax for each offense, whichever is greater.

## Three common mistakes to avoid

Most penalties go to businesses that:

1. Failed to report a Social Security number for every employee listed on the EMS 5208B Wage Report.
2. Failed to report hours worked for every employee listed on the EMS 5208B Wage Report.
3. Failed to submit originals of the EMS 5208A and EMS 5208B report forms when filing paper forms, as we do not accept faxed copies.

To learn more about reporting requirements and penalties read the regulation [WAC 192-310-030](#).

## NSF Checks

There is a \$25 charge for checks returned due to nonsufficient funds (NSF). ([WAC 192-310030](#)).

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### **Incorrect format**

You must file your tax reports electronically, preferably using the EAMS program, or on the paper forms that we provide. We do not accept faxed reports or any type of copies. Filing in the wrong format means submitting a paper form, but not using our original form, or sending in a report that our scanning equipment cannot read. Do not use photocopied paper forms. To avoid these issues, file your quarterly taxes online. When you file online, there are no paper forms, so the risk of filing in the wrong format is eliminated.

We will charge you a penalty if you fail to report in the correct format.

### **Penalty amounts**

The law sets penalty amounts for employers that repeatedly make mistakes on unemployment tax reports. The penalties are for employers that do not report all of the required information (names, Social Security numbers, hours worked and wages) for each employee or that file a report in the wrong format.

The first time an employer makes a mistake, we will send a warning letter. If another mistake is made, we will charge you a penalty. The penalties depend on how many mistakes the business has made and if it owes unemployment taxes to. See the table below for details.

### **Incomplete reports**

You must submit complete information on your tax report every quarter. Reports should include your Employment Security (ES number) or Unified Business Identifier (UBI) number. You must include each employee's name, Social Security number, hours and wages. If your report contains duplicate or impossible Social Security numbers (such as 999-99-9998 or 999-99-9999), it will be considered incomplete and you may pay a penalty.

If you buy all or part of a business, you must report it. If you fail to report properly, we may charge you the highest tax rate plus 2 percentage points for up to four years: For more information, read the state law RCW 50.29.062 and RCW50.29.063.

Penalty amounts for incomplete reports and reports filed in the wrong format

	<b>If you owe taxes</b>	<b>If you don't owe taxes</b>
2nd time	10 percent of taxes due, but not less than \$75 nor more than \$250	\$75
3rd time	10 percent of taxes due, but not less than \$150 nor more than \$250	\$150
4th time (and every time after that)	\$250	\$250

For details about penalties applied to your account, contact the Employer Accounts Unit at 360-902-9650.

# Determining your tax rate

Glossary term - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

## Determining if you are a qualified employer

Your tax rate depends on whether you are a qualified employer.

To be a qualified employer for 2014, you must:

- Have been a covered employer at some time between April 1, 2011, and March 31, 2012.
- Not have had four or more consecutive quarters with no payroll in 2011 or 2012.
- Have submitted all tax and wage reports and all payments as of September 30, 2013.

## Determining your tax-rate if you are qualified

We base your tax rate on your experience with unemployment. “Experience” is the total unemployment benefits paid to your former employees.

We use a 40-class tax-rate schedule. To decide your rate class, we will divide the cost of all unemployment benefits charged to you in the past four years by your taxable payroll for that same period.

We also use a social-cost (shared-cost) factor to decide a portion of your tax rate. This allows us to recover some of the unemployment benefits we must pay that are not charged back to a specific employer. To calculate your social-cost factor, we determine a flat social-cost factor first. We then multiply it by a variable percentage that is based on your rate class.

You can calculate your tax rate online for the current year at <http://esd.wa.gov/uitax/taxreportsandrates/filandpaytaxes/file-your-taxes.php>, then under “Before you File, select “Tax rate calculator 2014”.

State law requires that employer charges be based on the same two quarters of employee earnings that were used to calculate unemployment benefits (versus four quarters under the old law). The law increased some experience-rating charges.

However, to help offset the increase, the law also set a lower tax rate for employers in rate classes 2 through 39, lowered the social-cost factor and lowered the cap on the maximum employer tax rate from 6.5 to 6 percent (does not apply to delinquent employers).

For the purpose of calculating tax rates, the state fiscal year is used (July 1 through June 30), but your tax rate applies to wages paid in the next full calendar year.

## What if you are not a qualified employer?

If you do not meet the criteria to be a qualified employer we will calculate your tax rate as follows:

- Employer with the delinquent-tax rate - The experience part of the delinquent rate will be 1 percentage point higher than what the non-delinquent rate would have been (2 percentage points higher in the second year). An employer who receives a delinquent rate can reduce the experience part of its delinquent rate by 0.5 percentage points by paying off the entire debt or by entering into a deferred-payment contract within 30 days after the employer’s first tax-rate notice is mailed.
- New employer - If you did not purchase an existing business, your tax rate will be the average of other employers with your same North American Industry Classification System (NAICS) code.

## Government entities and non-profits

Government agencies, public schools and non-profit organizations with 501(c)(3) status have the option of being assigned an experience-based tax rate or paying the full cost of all unemployment benefits drawn by their former employees (reimbursable employers).

In addition to the options above, counties, cities and towns may elect to pay a local-government tax into a separate, self-sustaining account within the unemployment trust fund.

Complete the request for Unemployment Insurance Tax Payment Method (EMS 5200-99) to select your method of payment. This form is available on our website <http://www.esd.wa.gov/uitax/formsandpubs/ui-tax-forms.php>.

# Financing the system: where your tax dollars go

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## **State taxes**

Your state tax dollars cover the costs of providing unemployment benefits to unemployed Washington workers. Employment Administration Fund (EAF) taxes finance work-search assistance and training for the unemployed.

## **Federal taxes**

The Federal Unemployment Tax Act (FUTA) tax dollars paid to the federal government cover the costs of administering the unemployment insurance system nationwide, including the states' administrative costs.

These dollars help pay for extra weeks of benefits for workers during times of high unemployment. (See "Extended benefits" section in next column for more information.)

## **Extended benefits**

There are two types of benefit extensions available during times of high unemployment:

- Extended Benefits are paid to workers after they exhaust both their regular and EUC benefits. These benefits typically are shared equally between the state and federal government. Only the state-paid portion may affect your state tax rate.
- Other emergency benefits programs are sometimes available through Congressional action. Generally they are 100 percent federally funded and do not affect your state unemployment tax rate or the state unemployment trust fund.

Contact us for more information. (see page 24)

# Controlling your unemployment costs

Glossary term - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

## Review employer notices to help prevent fraud

Fraud costs everyone. Costs for fraudulent claims are spread across all employers, meaning that all businesses pay a share of the costs. You can help control these costs by thoroughly reviewing every notice we send you. If the person listed never worked for you, or if the person has not had his or her hours reduced or still works for you full-time, contact us immediately.

Forms	Contact
Notice to Base-Year Employer (EMS 166)	360-902-9670 - Experience Rating/Benefit Charging Unit
Statement of Benefit Charges	360-902-9670 - Experience Rating/Benefit Charging Unit
Claimant Separation Statement (EMS 5361)	Phone number listed on form
Wage Verification (FM001)	800-810-0210 - Office of Special Investigations (OSI)

## State Unemployment Tax Act (SUTA) dumping

SUTA dumping refers to tax-evasion schemes some employers use to pay less tax than they owe. This forces employers who report and pay their taxes correctly to pick up the tab for those that do not. If someone tells you about a way to lower your unemployment taxes and it sounds too good to be true, it probably is. SUTA dumping is against the law.

Protect your tax dollars by calling us at 360-902-9450 or sending an email to [undergroundeconomy@esd.wa.gov](mailto:undergroundeconomy@esd.wa.gov) if you know of employer or a tax adviser involved in or recommending SUTA dumping.

Federal law requires the unemployment tax system to be fair for all employers. It specifically requires states to close the loopholes allowing employers a favorable tax rate using SUTA-dumping techniques.

The law requires substantial penalties for individuals who attempt or recommend such illegal schemes. Offenders must pay the highest tax rate plus 2 percentage points, and also must pay substantial penalties and all taxes due. See page 8 for more information on penalties and interest.

## Underground economy

Underground economy refers to employers who deal in cash or use other schemes to conceal their activities and true tax liability from government agencies. The underground economy includes tax evasion and fraud, cash pay, tax gap, payments under-the-table and off-the-books.

When businesses operate in the underground economy, they do not pay their fair share of unemployment taxes and other business expenses. This gives the dishonest employer an unfair advantage and causes inequitable competition in the marketplace by forcing honest businesses to pay higher taxes and expenses.

Employees of these businesses are affected. They may not be able to claim unemployment benefits because of unreported wages, or their benefits may be delayed. They may be paid below the minimum wage and work in an unsafe environment.

The underground economy erodes economic stability and working conditions in Washington. We identify and audit employers that operate in Washington but do not



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register or pay their unemployment taxes. These employers will have to pay penalties and interest on all taxes owed and likely will pay a higher tax rate. If you know of a business that does not pay its fair share of taxes, report it by email at [undergroundeconomy@esd.wa.gov](mailto:undergroundeconomy@esd.wa.gov), or call 360-902-9450. Your identity will be kept confidential.

#### Other tips for preventing fraud:

- When hiring new employees, verify their Social Security numbers are correct. You can verify your employees' information matches Social Security Administration records online at [socialsecurity.gov/employer/ssnv.htm](http://socialsecurity.gov/employer/ssnv.htm).
- Protect your employees and your company by properly disposing of old payroll documents.
- If your payroll or personnel data are compromised, or if you suspect fraudulent activity on your employer account, call us at 800-246-9763.

#### Failing to register

An employer who knowingly fails to register with the department and obtain an employer account number could receive a penalty not to exceed \$1,000 dollars per quarter or two times the taxes due per quarter, whichever is greater. This penalty is in addition to all other penalties and is in addition to higher tax rates for employers who do not meet the definition of "qualified employer" under state law [RCW 50.29.010](#). This penalty does not apply if the employer can prove it had good cause to believe it was not required to register with the department.

#### Report all new hires

State law requires you to report all new employees to the Department of Social & Health Services (DSHS) within 20 days of hire. This helps the department collect child support. It helps save you money because we match new-hire records with unemployment records to reduce improper benefit payments. Choose your reporting method:

Online: [dshs.wa.gov/newhire](http://dshs.wa.gov/newhire)

Phone: 800-562-0479

#### Reduce your federal tax-rate

If all of your unemployment taxes are paid as of January 31, you may reduce your Federal Unemployment Tax (FUTA) rate from 6 percent of the first \$7,000 paid to each employee to 0.6 percent. The FUTA tax is 6 percent for 2014.

Most employers receive a maximum credit of up to 5.4 percent against this FUTA tax. Every quarter, you must determine the FUTA tax liability by adding the first \$7,000 of each employee's annual wages paid and multiply by 6 percent. The credit reduction is a maximum of 5.4 percent made to state unemployment taxes that were paid timely.

When calculating the credit on your federal tax return, deduct the amount you paid in state unemployment taxes. Do not include Employment Administration Fund (EAF) taxes or calculate any offsets to your state tax since Washington is not a credit-reduction state. These instructions may vary depending on the federal tax form you use. Read more about [FUTA Credit Reduction](#).

#### Increase your future savings by paying down your tax-rate

You can decrease your tax rate for next year by at least four rate classes by making voluntary payments and reducing the amount of benefits charged to your account. These payments, plus a 10 percent surcharge, are in addition to your regular tax payment.

To be eligible, you must have been a qualified employer the previous year, and your tax rate must have increased at least 12 rate classes from the previous year. We will notify you if you are eligible.

#### Shared Work: an alternative to layoffs

Shared Work is a voluntary program, intended as an alternative to laying off skilled employees if your business is experiencing a downturn. It allows you to reduce a permanent employee's usual work hours between 10 and

50 percent, while the employee receives partial unemployment benefits. This helps your employees avoid the hard ships of full unemployment while reducing your payroll costs.

Shared Work eligibility is extended to all employers, as long as a minimum of at least two employees are enrolled. The program can involve your entire work force or particular units of your business.

For more information, visit Shared Work online at [www.esd.wa.gov/uibenefits/faq/shared-work.php](http://www.esd.wa.gov/uibenefits/faq/shared-work.php) or call 800-752-2500.

# Understanding audits

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## **Tax audits**

Federal law requires that we conduct payroll audits on active employers each year. If we select your business, the auditor will review your business records to ensure compliance with unemployment tax laws. If the results show that you owe additional taxes, we will give you details of the findings, including taxes, penalties and interest owed. We will advise you how to report correctly in the future and discuss your payment options.

If the results show that you have overpaid, we will help you file a tax refund or apply your credit to future tax payments. Read state law about our right to audit employment records at [RCW 50.12.070](#).

For more information about audits, go to [esd.wa.gov/uitax/audit](http://esd.wa.gov/uitax/audit).

## **Voluntary-review program**

We offer a voluntary audit to review your records and ensure you are reporting correctly – without fear of penalty. If the review finds you are not reporting correctly, we will not charge late-payment penalties. However, you will have to pay all taxes due and any interest charges. The review may show that you have overpaid your taxes and result in a tax refund to you. Contact us (see page 24) for more information or to schedule a review.

# Record-keeping requirements

**Glossary term** - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

## New-employee information

When you hire a new employee, you need to get his or her:

- Full name
- Mailing address
- Date of birth
- Social Security number

You can verify that your employees' information matches Social Security Administration records online at <http://www.socialsecurity.gov/employer/ssnv.htm>. If your new employee has not been issued a Social Security number, he or she must apply for a number within seven days after being hired and must provide you with a copy of the application.

State law requires you to report all new employees within 20 days of hire. See page 13 for details.

## Keep complete records

You must keep the following information on file for each employee for at least four years from the date taxes were paid. This includes employees whom you are not required to report. See page 3 for details:

- Name
- Social Security number
- Dates of employment
- Basis of pay (e.g., hourly, monthly)
- Location of work
- Daily record of hours worked
- Gross pay for each pay period
- Payroll deductions for each pay period
- Reason for discharge or quit, if applicable

If you hire a registered contractor or electrical contractor, you must keep records of the contractor's Unified Business Identifier (UBI) account number and any amounts paid.

**Note: Failing to keep proper records could result in penalties.**

## Request for relief of benefit charges against your account

Review the Statement of Benefit Charges we send you if a former employee applies for unemployment benefits. The statement gives the employee's name and Social Security number and the charges made to your account.

If you are a tax-paying base-year employer not otherwise eligible for relief of charges for the employee, you may ask us not to charge these benefits to your account.

- Voluntarily quit and you did not cause the quit.
- Was discharged for misconduct or gross misconduct connected with the work.
- Was laid off as a direct result of a catastrophe, such as a fire, flood or other natural disaster.
- Continues working for you on a permanent part-time basis, and the worker qualifies for two consecutive unemployment claims.
- Was laid off after being hired to replace an activated military reserve or guard member when the military person is deactivated and returns to work.

# Your right to appeal

Glossary term - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

## When to file an appeal

If you disagree with any decision we make about your unemployment taxes or benefits paid to a former employee, you have the right to file an appeal.

**Note: Your former employees also have the right to appeal our decisions.**

## How to file an appeal

Your appeal must be in writing and must be postmarked or delivered within 30 days after the date we mailed our written decision to you. Your letter must include your:

- Business name
- Account number (ESD Number)
- Business Identifier (UBI) number
- Address and phone number
- Reason for disagreeing with our decision
- Signature

**Note: If your former employee became unemployed due to lack of work, he or she may be awarded benefits without written notice to you. If someone quits or is discharged, goes to work elsewhere and earns enough in wages to requalify for unemployment benefits, we may charge you a portion of his and her unemployment benefits unless you ask for and are granted relief of charges.**

## Where to file an appeal

If you feel that we miscalculated your taxes or misreported benefit charges to your account, send your appeal to the address below.

If you paid a bill but believe we owe you a refund, or disagree that you owe us money, or feel that we should have waived your penalty charges, send your appeal to:

Employment Security Department  
Tax Appeals  
PO Box 9046  
Olympia, WA 98507-9046

## What happens next?

The Office of Administrative Hearing (OAH) is a separate state agency that hears and makes decisions about tax and benefits appeals. OAH will send you a letter that includes the date and time of your hearing and the steps you need to take to prepare for that hearing. Most hearings are held by telephone.

At the hearing, all testimony is given under oath. Your witnesses should have first-hand knowledge of the details of the case.

About two weeks after the hearing, OAH will send you a written Initial Order giving you the decision and explaining the result.

If you cannot attend the hearing, you must call OAH before the hearing to ask for another hearing date. The telephone number to call will be in the hearing notice that is sent to you. If you fail to attend the hearing, you will lose your appeal, and the decision you wanted to change will stay in place.

## What if you still disagree

If you disagree with OAH's Initial Order, you can file a petition for review. Your petition for review must be in writing and must be postmarked and mailed to the Agency Records Center within 30 days after the date on OAH's Initial Order.

Mail your petition for review to:  
Commissioner's Review  
PO Box 9555  
Olympia WA 98507-9555

Your petition for review may be dismissed as improperly filed if it is mailed to any other address or sent by fax. For more information, read the rule at [WAC 192-04-170](#).

## Limited English skills

If you or one of your witnesses does not speak English, tell us that you need an interpreter and the language that you or your witness speaks. An interpreter will be provided at the appeal hearing at no cost to you.

# Forms and notices

Glossary term - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

## Tax forms and notices

**Business License Application** (BLS-700-028) – All new businesses must submit this form. It establishes your Unified Business Identifier (UBI) number and your account with the departments of Labor & Industries, Revenue and Employment Security. You can complete the application online or download it at [bls.dor.wa.gov/file.aspx](https://bls.dor.wa.gov/file.aspx).

**Amended Tax & Wage Report** (EMS 5208 D) – Use this form to make a change to your tax or wage report from a previous quarter, whether you filed your original report electronically or on paper.

**ID 1212 Business change form** (EMS 5208 C-1) – Use this form to report changes to your business status, including change of address. You must include your name and phone number for the change to be processed.

**ID 1206 Ownership change form** (EMS 5208 C-2) – Required for all changes in owners or officers.

**Business Update** – This quarterly newsletter provides current tax information and details about local workshops and hiring events. The newsletter is available online at [esd.wa.gov/bizupdate](https://esd.wa.gov/bizupdate).

**ID 1215 Billing statement** – You will receive this form each month if your account owes us money or if your account has any delinquent quarterly tax reports. It outlines the penalty and interest charges you owe.

**ID 1199 PEO form** – Required for professional employer organizations (PEO) to represent a client and any designated representative Employment Security is to send or share confidential information with regarding the business' unemployment-insurance account.

**ID 1210 Tax summary** (EMS 5208 A) – Quarterly Unemployment Insurance - Tax Summary – Use this form to report your taxes each quarter. You also can use it to file a no-payroll report. We will send it to you along with instructions. If your report was filed electronically for the previous two quarters, we will not send this form. Email us at [taxforms@esd.wa.gov](mailto:taxforms@esd.wa.gov) to request a paper form. This form is not available online and cannot be copied or printed because of the special “drop-out” ink required for our scanning equipment.

**ID 1211 Wage detail** (EMS 5208 B) – Quarterly Unemployment Insurance – Wage Detail – Use this form to itemize wages for each employee. We will send it to you each quarter along with instructions. If your report was filed electronically for the previous two quarters, we will not send this form. Email us at [taxforms@esd.wa.gov](mailto:taxforms@esd.wa.gov) to request a paper form. This form is not available online and cannot be copied or printed because of the special “drop-out” ink required for our scanning equipment.

**Report new client information/report of termination** – – Required whenever a professional employer organization adds or drops a client.

**ID 1204** (EMS 5200-99) – Request for Unemployment Insurance Tax Payment Method – This form is used by non-profit organizations or political subdivisions to determine a tax payment method.

**ID 1028** (EMS 174) – Tax Rate Notice – This form provides your tax rate for the next calendar year and the data on which your tax rate is based. We send this notice to you every December for your next year's tax rate.

**ID 1205** (EMS 5203 CC 7540-032-139) – Voluntary Election – Submit this form if you would prefer to report and pay taxes, even though you are not required to (see page 3). If approved, your employees may be eligible to receive unemployment benefits if they are laid off.

**Unemployment benefits poster** (EMS 9874) – Tells workers they may be eligible for unemployment benefits if they lose their jobs.



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**Glossary term** - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

### **Benefits-related forms and notices**

**Alternate Base Year letter** – You will receive this letter if a former employee applies for unemployment benefits and is ineligible without the wages paid in the most recent quarter. The data you provide on this form should match the data you will submit on your tax report for that quarter.

**Claimant's Separation Statement** (EMS 5361) – You will receive this if a current or former employee applies for unemployment benefits and you were the last employer or if there is an eligibility issue. Always review this notice carefully. It lists the reason the employee gave for no longer working. If the information is incorrect, you must reply within 10 days after the mailing date.

**Notice to Base-Year Employer** (EMS 166) – You will receive this if a current or former employee applies for unemployment benefits and you are a base-year employer. Always review this notice carefully. It summarizes the wage data you reported and shows the benefit amount for the employee named. If the information is incorrect, you must contact us within 30 days. If the person listed has not had his or her hours reduced and is not laid off, call our Experience Rating/Benefit Charging Unit at 360-902-9670 right away.

**ID 1217 RBC** – statement of benefit charges – You will receive this notice each quarter that a former employee received unemployment benefits. It lists the name and Social Security number of each employee receiving benefits and outlines the charges made to your account.

**Wage Verification** (FM001) – You will receive this form if you report wages for an employee on your tax report and there is a high probability that the employee received unemployment benefits for the same time period. This is part of an early detection program to reduce fraud. You must complete and return this form within 30 days.

**Church and religious organizations poster** (Form UI 07-0119) – Tells workers they may not be eligible for unemployment benefits if they lose their jobs.

**Notice to fishing-boat workers** (Form UI-130369-SP) – Tells workers they may not be eligible for unemployment benefits if they lose their jobs.

Forms are available online at [esd.wa.gov/tax-forms](https://esd.wa.gov/tax-forms).

# Samples of key tax forms

Glossary term - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

## Example of 5208 A form



### Quarterly Unemployment Insurance - Tax Summary

To file or pay electronically, go to [esd.wa.gov/file-taxes](http://esd.wa.gov/file-taxes).

(Form 5208A)

**See separate instructions.** Use black ink. Send only original forms with blue-ink boxes. Report any change in business status or address on Form 5208C.

EMPLOYER																													
1) ESD NUMBER	2) UBI	3) EIN	4) QUARTER/YEAR																										
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>																										
5) BUSINESS NAME		6) DUE DATE (MMDDYY)																											
<input type="text"/>		<input type="text"/>																											
TAX PREPARER																													
7) FIRST AND LAST NAME OF TAX PREPARER		DATE PREPARED (MMDDYY)	PHONE (WITH AREA CODE AND ANY EXTENSION)																										
<input type="text"/>		<input type="text"/>	<input type="text"/>																										
EMAIL ADDRESS OF TAX PREPARER		FAX (WITH AREA CODE AND ANY EXTENSION)																											
<input type="text"/>		<input type="text"/>																											
8) <input type="checkbox"/> <b>NO PAYROLL THIS QUARTER?</b> CALL 888-836-1900 TO FILE. OR WRITE "X" IN THE BOX, FILL OUT #1 TO #11, AND RETURN THIS PAGE TO THE ADDRESS IN #26A.	13) <b>TOTAL GROSS WAGES</b> paid this quarter to employees covered by unemployment insurance in Washington state. (The total amount in box #30 of all Wage Detail pages - Form 5208B.)																												
9) NUMBER OF CORPORATE OFFICERS EXEMPT FROM UNEMPLOYMENT INSURANCE.	14) <b>EXCESS WAGES</b> - See instructions; taxable wage base is \$ <input type="text"/>																												
10) WAGES OF CORPORATE OFFICERS EXEMPT FROM UNEMPLOYMENT INSURANCE.	15) <b>TOTAL GROSS WAGES</b> - See instructions																												
11) TOTAL EXERCISED STOCK OPTIONS FOR ALL EMPLOYEES AND OFFICERS.	16) <b>TAXABLE WAGES</b> - Subtract lines #14 and #15 from line #13																												
12) NUMBER OF EMPLOYEES OF ALL TYPES WHO WERE PAID WAGES DURING THE PAYROLL PERIOD THAT INCLUDES THE 12TH DAY OF THE MONTH. 1ST MONTH: <input type="text"/> 2ND MONTH: <input type="text"/> 3RD MONTH: <input type="text"/>	17) <b>UI TAX DUE THIS QUARTER</b> - Multiply line #16 by the combined tax rate (breakdown in left column): <input type="text"/>																												
<b>COMBINED TAX RATE MENTIONED ON LINE #17 INCLUDES:</b> <input type="checkbox"/> <b>&lt; ETR &gt;</b> EARNED TAX RATE <input type="checkbox"/> <b>&lt; SC &gt;</b> SOCIAL COST <input type="checkbox"/> <b>&lt; ARA &gt;</b> ADJUSTED REDUCTION AMOUNT <input type="checkbox"/> <b>&lt; SS &gt;</b> SOLVENCY SURCHARGE	18) <b>EMPLOYMENT ADMINISTRATION FUND (EAF)</b> - Multiply the amount on line #16 by the EAF rate: <input type="text"/>																												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="7" style="text-align: center; padding: 2px;">DO NOT WRITE BELOW</th> </tr> </thead> <tbody> <tr> <td style="width: 20%; padding: 2px;">DATE RECEIVED</td> <td style="width: 5%; padding: 2px;">M</td> <td style="width: 5%; padding: 2px;">M</td> <td style="width: 5%; padding: 2px;">D</td> <td style="width: 5%; padding: 2px;">D</td> <td style="width: 5%; padding: 2px;">Y</td> <td style="width: 5%; padding: 2px;">Y</td> </tr> <tr> <td style="padding: 2px;">RECEIVED BY</td> <td style="padding: 2px;">CLASS CODE</td> <td style="padding: 2px;"><input type="text"/></td> <td style="padding: 2px;">RP</td> <td colspan="3" style="padding: 2px;"></td> </tr> <tr> <td style="padding: 2px;"><input type="text"/></td> <td style="padding: 2px;"><input type="text"/></td> <td style="padding: 2px;"><input type="text"/></td> <td style="padding: 2px;"><input type="text"/></td> <td colspan="3" style="padding: 2px;"><input type="text"/></td> </tr> </tbody> </table>	DO NOT WRITE BELOW							DATE RECEIVED	M	M	D	D	Y	Y	RECEIVED BY	CLASS CODE	<input type="text"/>	RP				<input type="text"/>			19) <b>TOTAL TAX DUE</b> - Add lines #17 and #18 <input type="text"/>				
DO NOT WRITE BELOW																													
DATE RECEIVED	M	M	D	D	Y	Y																							
RECEIVED BY	CLASS CODE	<input type="text"/>	RP																										
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>																									
	20) <b>LATE PAYMENT PENALTY</b> - See instructions <input type="text"/>																												
	21) <b>INTEREST</b> - See instructions <input type="text"/>																												
	22) <b>LATE-REPORT PENALTY</b> - See instructions <input type="text"/>																												
	23) <b>PRIOR BALANCE TO ADD</b> (or credits to subtract) <input type="text"/>																												
	24) <b>AMOUNT DUE</b> - Add lines #19, #20, #21, #22 and #23 <input type="text"/>																												
	25) <b>PAYMENT AMOUNT SUBMITTED</b> <input type="text"/>																												
	26) CHOOSE A PAYMENT OPTION: A) PAY ONLINE 1) Pay at <a href="http://esd.wa.gov/pay-taxes">esd.wa.gov/pay-taxes</a> . 2) Mail your tax and wage report to: Employment Security Dept. Employer Accounts PO Box 9046 Olympia WA 98507-9046																												
	B) PAY BY MAIL 1) Write a check to Employment Security Dept. 2) Write your ESD number on the check. 3) Mail your check plus tax and wage report to: Employment Security Dept. PO Box 34729 Seattle, WA 98124-1729																												

ID 1210 (06/20/13) TAX SUMMARY  
EMS 5208A CC 7540-032-819

Glossary term - All underlined terms (except Web addresses) are included in the glossary, pages 21-23.

### Example of 5208 B form

		<b>Quarterly Unemployment Insurance - Wage Detail</b>		(Form 5208B)	
		To file or pay electronically, go to <a href="http://esd.wa.gov/file-taxes">esd.wa.gov/file-taxes</a> .			
See separate instructions. Use black ink. Send only original forms with blue-ink boxes. Report any change in business status or address on Form 5208C.					
27) ESD NUMBER		28) UBI		29) EIN	
30) TOTAL AMOUNT IN #41 BOXES ON THIS PAGE		31) BUSINESS NAME		32) QTR/YEAR	
33) PAGE OF		34) SOCIAL SECURITY NUMBER		35) LAST NAME	
EMPLOYEE A		36) FIRST NAME		37) MI 38) SUFFIX	
39) HOURS		40) IF 0 HRS. CODE		41) TOTAL PAID THIS QTR (ADD TO BOX #30)	
OTHER STATE #1		42) STATE ABBR. 43) WAGES		OTHER STATE #2	
44) STATE ABBR. 45) WAGES		EMPLOYEE B		34) SOCIAL SECURITY NUMBER	
35) LAST NAME		36) FIRST NAME		37) MI 38) SUFFIX	
39) HOURS		40) IF 0 HRS. CODE		41) TOTAL PAID THIS QTR (ADD TO BOX #30)	
OTHER STATE #1		42) STATE ABBR. 43) WAGES		OTHER STATE #2	
44) STATE ABBR. 45) WAGES		EMPLOYEE C		34) SOCIAL SECURITY NUMBER	
35) LAST NAME		36) FIRST NAME		37) MI 38) SUFFIX	
39) HOURS		40) IF 0 HRS. CODE		41) TOTAL PAID THIS QTR (ADD TO BOX #30)	
OTHER STATE #1		42) STATE ABBR. 43) WAGES		OTHER STATE #2	
44) STATE ABBR. 45) WAGES		EMPLOYEE D		34) SOCIAL SECURITY NUMBER	
35) LAST NAME		36) FIRST NAME		37) MI 38) SUFFIX	
39) HOURS		40) IF 0 HRS. CODE		41) TOTAL PAID THIS QTR (ADD TO BOX #30)	
OTHER STATE #1		42) STATE ABBR. 43) WAGES		OTHER STATE #2	
44) STATE ABBR. 45) WAGES		EMPLOYEE E		34) SOCIAL SECURITY NUMBER	
35) LAST NAME		36) FIRST NAME		37) MI 38) SUFFIX	
39) HOURS		40) IF 0 HRS. CODE		41) TOTAL PAID THIS QTR (ADD TO BOX #30)	
OTHER STATE #1		42) STATE ABBR. 43) WAGES		OTHER STATE #2	
44) STATE ABBR. 45) WAGES		EMPLOYEE F		34) SOCIAL SECURITY NUMBER	
35) LAST NAME		36) FIRST NAME		37) MI 38) SUFFIX	
39) HOURS		40) IF 0 HRS. CODE		41) TOTAL PAID THIS QTR (ADD TO BOX #30)	
OTHER STATE #1		42) STATE ABBR. 43) WAGES		OTHER STATE #2	
44) STATE ABBR. 45) WAGES					
ID 1211 (04/09/2014) WAGE DETAIL EMS 5208B CC 7540-032-819					

# Glossary

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## Account number

This is a 12 digit number we assign to you when you register as an employer. Use it on all forms, reports and other communications you send to us to ensure it is applied to the correct account. (The form may request either your 9-digit ESD number or 12-digit ESD Number, which for most employers is the same except for a leading “000.”)

## Array calculation factor

Portion of the tax rate based on each employer's *experience* with unemployment claims.

## Corporation

An entity (usually a business) having authority under law to act as a single person distinct from the shareholders who own it and having rights to issue stock and exist indefinitely; a group or succession of persons established in accordance with legal rules into a legal or juristic person that has legal personality distinct from the natural persons who make it up, exists indefinitely apart from them, and has the legal powers that its constitution gives it.

## Covered employees

Employees who are *covered* by unemployment insurance.

## Covered employer

A business that is required to file tax and wage reports and to pay unemployment taxes. Employees are *covered* by unemployment insurance.

## Delinquent employer

A business that has not filed tax or wage reports due, or has not paid taxes or penalty and interest charges as of September 30 of any given year, owes  $\frac{1}{2}$  of 1 percent (0.005) by September 30.

## Employer Identification Number (EIN)

This is the nine-digit number the Internal Revenue Service assigns to businesses that are required to file tax returns, including corporations, partnerships, nonprofit organizations, sole proprietors, government bodies, churches, trusts, estates and LLCs. Obtain an EIN number by calling the IRS at 800-829-4933.

## Excess wages

The amount of wages you pay an employee exceeding the average annual wage for Washington State (referred to as the taxable wage base). You do not have to pay taxes on excess wages, but you must report them each quarter.

## Independent contractors

- The contractor is completely free from all direction and control by the employer. This means that the contractor furnishes his or her own materials and equipment; schedules his or her own hours and breaks; or perform work for others at the same time.
- Services are outside of the usual course of business or are performed off-site. This means that the service is different in nature than those normally offered by the business that is contracting for services or that they are not performed at that business's physical location.
- The contractor is independently established in his or her own trade, occupation, or business. This means the contractor has a valid business license, advertises independently, has other customers or operates its own office or place of business.

If you fail test one, you must meet all six of the following criteria to be considered an independent contractor.

- The contractor is completely free from all direction and control by the employer.
- Services are outside of the usual course of business or are performed off-site OR the contractor must cover the costs of the site where the service is performed.
- The contractor is independently established in his or her own trade, occupation or business, OR the contractor's principal place of business is eligible for a federal income-tax deduction.
- The contractor must file a schedule of expenses for the service to the Internal Revenue Service.



- 
- The contractor has a Unified Business Identifier (UBI) Number and is registered to pay business taxes to the state of Washington.
  - The contractor maintains a set of bookkeeping records separate from the employer.

If you are unsure whether you qualify as an independent contractor, contact a tax specialist (see page 24).

### **Limited-liability company (LLC)**

A non-corporate entity that allows the owners or members to participate actively in management, but provides them with limited liability and with federal income tax exemptions. Each member pays income tax individually in proportion to ownership while the business entity itself is not taxed.

LLC members are not reported for unemployment purposes. Employees must be reported, including spouses who are not members. Members cannot voluntarily elect coverage for themselves.

### **Limited-liability partnership (LLP)**

A non-corporate entity that allows the partners to participate actively in management, but provides them with limited liability and with federal income tax exemptions. Partners are not individually liable for debts or obligations of the partnership, except for his or her negligent or wrongful acts or those of a person under his or her control.

LLP partners are not reported for unemployment purposes. Employees must be reported, including spouses who are not partners of the LLC. Partners cannot voluntarily elect coverage for themselves.

### **Limited-liability limited partnership (LLLP)**

An LLLP is made up of one or more general partners and one or more limited partners. All partners in an LLLP have a limited liability for the LLLP's debts and obligations (compared to an LLP where general partners are personally liable for the debts and obligations while the limited partners are generally liable only up to their original investments).

LLP partners are not reported for unemployment purposes. Employees must be reported, including employees who are spouses who are not partners of the LLLP. Partners of the LLLP cannot voluntarily elect coverage for themselves.

### **New employer**

For the purposes of unemployment taxes, a new business, not a successor to a prior business, that has had employees for two years or less as of April 1 of the previous year. This definition is for purposes of experience rating and benefit charging only.

### **Non-covered employees**

Employees who are not covered by unemployment insurance. Employers do not pay taxes for these employees. See page 3 for details.

### **Office of Administrative Hearings**

An independent agency that conducts hearings for other state agencies. It is not part of Employment Security.

### **Pay in lieu of notice**

The amount you pay your employee if he or she is discharged without notice and you have an employment contract that requires you to give notice. You must report this amount with hours for the quarter in which it is paid.

### **Professional limited-liability companies (PLLC)**

A type of limited liability company (LLC) that is licensed or legally authorized to render professional services within Washington State. PLLCs are subject to the same unemployment tax rules as LLCs.

### **Professional limited-liability partnership (PLLP)**

A type of limited liability partnership (LLP) where the owner is licensed to render professional services within Washington State. Partners are personally liable if the partnership fails to maintain the required liability insurance. PLLPs are subject to the same unemployment tax rules as LLPs.



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### **Qualified employer**

A business with a history of employing workers of a specific duration that has submitted all reports and paid all taxes and penalty and interest charges as of September 30.

### **Reimbursable employers**

An approved payment method for which a business reimburses Employment Security for all unemployment benefits paid to former employees.

Reimbursable employers include government agencies (e.g., state agencies, counties, cities, towns, public schools, Native American tribes) and non-profit organizations with 501(c)(3) status.

### **Remuneration**

The total compensation you pay your employee(s). This includes all salary, commissions, bonuses, tips, vacation and holiday pay, etc.

### **Severance pay**

Pay that an employee receives upon separating from a job – also called separation pay. It usually is paid out after the date of separation and should be reported for the quarter in which it is paid, showing zero (0) hours.

### **Social-rate cost factor**

The amount charged to employers to recoup socialized costs to the Unemployment Insurance Trust Fund.

### **Sole proprietor**

A sole proprietor is a business that is owned or operated by one individual - the proprietor.

### **Spousal proprietor**

A business that is owned and operated jointly by a married couple is referred to as a spousal proprietorship.

### **Taxable wage base**

The maximum amount of wages on which you pay taxes for each employee in a given year. The base changes annually.

### **Unified Business Identifier (UBI) number**

A unique number assigned to all entities conducting business in Washington State. All new businesses must submit a Business License Application to establish an account with the departments of Labor & Industries and Revenue, the Office of the Secretary of State and the Employment Security Department.

### **Unsegregated expense allowances**

Expense payments paid as a flat fee as part of an employee's total compensation. This does not include reimbursed expenses paid as separate line items, such as per diem or mileage reimbursements.

# Contact information

## Employers - contact us

For questions about	Email or call
General tax information (via recorded message)	888-836-1900
Info about your tax account, voluntary coverage, PEO, change of address or other business updates	<a href="mailto:status@esd.wa.gov">status@esd.wa.gov</a> 360-902-9360
Mail correspondence, paperwork, payments by check	<a href="#">Mailing address</a>
Refunds, credits, waiver requests, tax report amendments	<a href="mailto:employeraccountstaxesd@esd.wa.gov">employeraccountstaxesd@esd.wa.gov</a> 360-902-9650
Request records (Past wage reports, employment information about former employees. Personal info on employees not provided.)	<a href="mailto:recordsdisclosure@esd.wa.gov">recordsdisclosure@esd.wa.gov</a> Don't email social security numbers. 360-725-9440 Fax: 866-610-9225
Tax collections, late payments, payment plans, delinquent tax reports, bankruptcy (formerly the district tax office)	<a href="mailto:Amc1@esd.wa.gov">Amc1@esd.wa.gov</a> 855-829-9243
Tax-rates, benefit charging	<a href="mailto:esdexperiencerating@esd.wa.gov">esdexperiencerating@esd.wa.gov</a> 360-902-9670 / Fax: 360-902-9202
Technical support for online tax filing (EAMS, UIWebTax, ePay, ICESA)	<a href="mailto:uiftsupport@esd.wa.gov">uiftsupport@esd.wa.gov</a> 800-565-4660 (option 5)
Unemployment claims of former employees	<a href="mailto:employeraccountstaxesd@esd.wa.gov">employeraccountstaxesd@esd.wa.gov</a> 360-902-9650



# Contact information

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## **Mailing addresses**

Send printed wage reports, payments, completed documents or correspondence to the correct address below.

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## **Tax and benefit appeals:**

ESD-Tax Appeals  
PO Box 9046  
Olympia, Washington 98507-9046

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## **Benefit charging requests, appeals and correspondence:**

ESD-Experience Rating/Benefit Charging Unit  
PO Box 9046  
Olympia, Washington 98507-9046

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## **Certified mail payments:**

ESD-Certified  
105 14th Ave, Suite 300  
Seattle, Washington 98124-1949

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## **Collections:**

AMC1  
PO Box 9046  
Olympia, Washington 98507-9046

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## **Mail paper checks after electronic filing:**

ESD-Electronic Filing  
PO Box 34467  
Seattle, Washington 98124-1467

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## **Past-due billing statement payments:**

ESD-Billing Statement  
PO Box 34949  
Seattle, Washington 98124-1949

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## **Tax rate requests, appeals and correspondence:**

ESD-Experience Rating/Benefit Charging Unit  
PO Box 9046  
Olympia, Washington 98507-9046

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## **Wage report forms & tax payments made by check to:**

ESD-Paper Wage Reports  
PO Box 34729  
Seattle, Washington 98124-1729

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The Employment Security Department is an equal-opportunity employer and provider of programs and services. Auxiliary aids and services are available upon request to people with disabilities. Auxiliary aids may include qualified interpreters and telecommunication devices (TTY) for hearing- or speech-impaired individuals. Individuals with limited English proficiency may request interpretive services free of charge in order to conduct business with the department.

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